



DEPARTMENT OF THE AIR FORCE  
OFFICE OF THE CHIEF OF STAFF  
WASHINGTON, DC

MEMORANDUM FOR ALMAJCOM/CC

FROM: HQ USAF/CC  
1670 Air Force Pentagon  
Washington, DC 20330-1670

SUBJECT: Air Force Purchase Card Program

The International Merchant Purchase Authorization Card (IMPAC) is providing significant benefits to Air Force users. Our use of the purchase card nearly doubled in FY96 as its popularity has increased among AF cardholders. Over 70 percent of all AF purchases eligible for IMPAC are now being performed in that manner. Over 628,000 purchase transactions valued over \$249M in the past year prove that the purchase card program works. Cardholders can quickly obtain small dollar value commercially available products and services for their organizations when they need them. This is acquisition streamlining at its best. I want you to support and encourage the use of the purchase card within your commands and reach the goal of 90 percent of all eligible purchases.

The AF has revised its procedures to streamline and simplify use of the purchase card. We are eliminating many of the prohibited items, prepurchase screening and prepurchase documentation requirements. Our intent is to make the purchase card "user friendly". Every organization should establish an IMPAC account and use the IMPAC as the preferred method of obtaining the bulk of micropurchase items needed by your organizations.

We recognize that some supplies or services such as technical order parts on weapon systems, explosives, regulated medical items, and hazardous materials need appropriate controls. You need an aggressive cardholder training program and an appropriate means to ensure cardholders do not misuse the card. Experienced personnel from functional areas including Supply, Civil Engineering, Finance, Communications and Transportation, need to participate with Contracting in training cardholders.

I wholeheartedly support the purchase card program and seek your support to expand its use at our AF installations and achieve the efficiencies it affords AF operations.

(Signed 28 Apr 97)  
RONALD R. FOGLEMAN  
General, USAF  
Chief of Staff

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MEMORANDUM FOR ALMAJCOM-FOA-DRU (CONTRACTING,  
FINANCIAL MANAGEMENT, AND LOGISTICS)

SUBJECT: Expanding the Use of the International Merchant Purchase  
Authorization Card (IMPAC)

The use of the IMPAC card represents an effective way to obtain goods and services costing less than the \$2,500 micropurchase threshold. CSAF has fully embraced the IMPAC program and has requested Air Force-wide support to expand its use and to achieve the resulting efficiencies (Atch 1).

We have attached a copy of the revised IMPAC internal control procedures. These revised procedures have been streamlined to make the IMPAC program more "user friendly".

The revised procedures allow wide latitude and flexibility in satisfying requirements under the micropurchase threshold of \$2,500. We recognize that IMPAC cannot satisfy all these requirements, especially for long lead time items or specialized components. However, we must take advantage of the tremendous efficiencies IMPAC offers the Air Force. We are confident that the use of IMPAC can be increased to 90% of all our open market transactions for commercial items and services under \$2,500 at each of our installations.

Please review the revised procedures and immediately implement the necessary changes required in your organization to achieve the above objective. We must continue to ensure effective cardholder training and approval processes to avoid misuse or abuse of IMPAC. We join General Fogleman in seeking your support for this successful program.

(Signed)

ARTHUR L. MONEY

Assistant Secretary of the  
Air Force (Acquisition)

(Signed)

ROBERT F. HALE

Assistant Secretary of the Air Force  
(Financial Management and Comptroller)

(Signed)

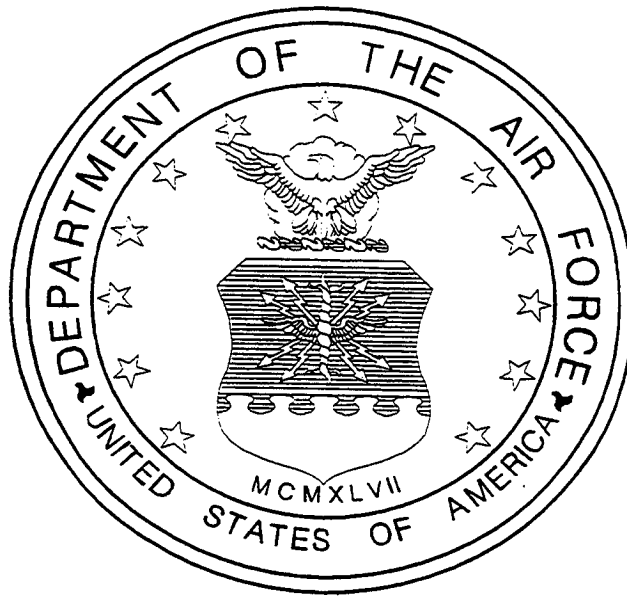
WILLIAM P. HALLIN

Lieutenant General, USAF  
Deputy Chief of Staff, Logistics

Attachments:

1. AF/CC Memorandum
2. Internal Procedures for Using IMPAC

**UNITED STATES AIR FORCE  
INTERNAL PROCEDURES FOR USING THE  
INTERNATIONAL MERCHANT PURCHASE  
AUTHORIZATION CARD  
(IMPAC)**



**28 APR 97**

## SUMMARY OF REVISIONS

**These procedures supersede the previous procedures, dated 10 Jan 95, in their entirety.**

This document has been updated to reflect changes recommended by the Department of Defense Purchase Card Financial Management Team and Purchase Card Integrated Product Team in their final joint report, dated 30 September 1996. In general, the major changes to the Air Force internal procedures for using the International Merchant Purchase Authorization Card (IMPAC) are: (1) the elimination of ineffective pre-purchase approvals; (2) the maximization of the use of automation; (3) the streamlining of the reconciliation process; (4) the streamlining of the accounting and bill paying procedures for IMPAC transactions; (5) the establishment of internal controls oriented towards risk management versus risk avoidance; (6) the improvements to the training program for using the IMPAC; and (7) the promotion of the maximum use of the IMPAC. Other administrative changes are made throughout this directive.

Some specific changes include:

- Use of the purchase card as a payment method in some instances to obtain items off prepriced contracts, agreements, and mandatory GSA/FSS/VA schedules over \$2,500, provided data is collected to report in DD Form 1057 categories.
- Use of IMPAC to obtain items for resale or reissue with AF/ILSP approval.
- Use of IMPAC for centrally managed items to correct MICAP or work stoppage with approval of the Integrated Material Manager.
- Elimination of prepurchase COS screening and documentation for commercial supplies.
- Use of IMPAC for nonexpendable equipment items after coordination with the organizational equipment custodian for Table of Allowance authority and accountability records.
- Procedures to check available warranties and other contracts serving the base prior to using IMPAC.
- Use for books and magazines.
- Use of IMPAC for Construction Services up to \$2,000 after approved AF Form 332 is obtained.
- Removal of the restriction of back ordering providing certain procedures are followed.
- Use of the IMPAC for purchases from Nonappropriated Fund Instrumentalities (NAFI), the Commissary, and the Defense Automated Printing Service.
- Procedures for contractors to be issued the IMPAC under cost reimbursable contracts.
- Set-up of contingency accounts.
- Random sampling and automated detection methods may be used to perform surveillance.
- A revised funding document is prescribed to reduce maintenance needed for AF Form 616s.
- Enhanced training requirements.
- Clarification to roles of different parties involved with the purchase card program.
- Use of IMPAC for rental/lease of motor vehicles, with Chief of Transportation approval, for purposes not associated with travel or TDY supported by travel orders.
- Specific procedures for purchase of medical items and authorization for use of AF Working Capital Fund Medical Dental Division fund cites by authorized medical logistics personnel.

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OPR: SAF/AQCO

OCR: SAF/FMPC

OCR: HQ USAF/ILSP

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## **SECTION 1--INTRODUCTION**

1.1. The General Services Administration (GSA), Federal Supply Service, has awarded a single schedule contract for Government-wide Commercial Credit Card Service to the Rocky Mountain BankCard System, Inc. (RMBCS). The contract provides commercial credit cards and associated services to military members and federal civilian employees to pay for official Government purchases.

1.2. The procedures contained in this publication do not apply to purchases made by Nonappropriated Fund Instrumentalities (NAFIs). NAFI users must use the IMPAC in accordance with procedures established by the Air Force Services Agency (AFSVA). Surveillance responsibility and inspection will be performed by AFSVA.

1.3. These procedures supplement the cardholder and approving official instructions distributed by RMBCS when cards are issued. In the event that there is a conflict between the Air Force IMPAC procedures and the instructions provided by RMBCS, the Air Force IMPAC procedures take precedence. The terms and conditions of the contract between GSA and the RMBCS take precedence over any other procedures.



## SECTION 2--DEFINITIONS

**NOTE:** Other definitions which are not detailed below are contained in the GSA Contract Guide for the Government Wide Commercial Credit Card Guide.

- 2.1. **Activity Type Codes:** Codes developed by and customized to each organization's specific need that during the authorization process shall alert the contractor (RMBCS) to purchases that should be prohibited. The activity type codes are also encrypted on the magnetic strip of the card.
- 2.2. **Agency Program Coordinator (APC):** The member on the SAF/AQC staff designated to RMBCS to serve as the liaison among the USAF, the RMBCS, and the GSA contracting officer.
- 2.3. **Air Force Capital Working Fund - Medical Dental Division (MDD):** Non-apportioned division of the AF Capital Working Fund used to manage medical supply and equipment purchases.
- 2.4. **Approving Official (AO):** Official, appointed by the organizational commander, who is responsible for the oversight of one or more cardholders. Must review each cardholder's monthly reconciliation of the Statement of Account (SOA) and transaction log.
- 2.5. **Authorization:** The process of verifying that a purchase being made is within the established cardholder limits. Authorization is done by the merchant at the point of sale through verification with RMBCS.
- 2.6. **Base Medical Logistics Officer:** Officer appointed by the Director of Base Medical Services to account for and manage medical materiel and equipment purchases.
- 2.7. **Billing Cycle:** The period of time, usually 30 days, in which all accumulated merchant charges or any credits are posted by RMBCS to the cardholders' accounts. The billing cycle period for the Air Force is from the 26th of each month to the 25th of the following month.
- 2.8. **Cardholder:** Person to whom an IMPAC is issued for purposes of making purchases on behalf of his/her assigned organization.
- 2.9. **Cardholder Statement of Questioned Items (CSQI):** The RMBCS form on which cardholders claim credit for disputed items which cannot be resolved with the vendor.
- 2.10. **Chief of Supply (COS):** The COS is the installation supply accountable officer.
- 2.11. **Command Control Communications and Computer (C4):** The C4 is an integrated system of doctrine, procedures, organizational structures, personnel, equipment, facilities, and

communications designed to support a commander's exercise of command and control, through all phases of the operational continuum. These items include visual information support systems.

**2.12. Defense Accounting Office (DAO):** The installation Defense Finance and Accounting Service office that provides accounting and paying services for an assigned organization.

**2.13. Defense Personnel Support Center (DPSC):** Department of Defense agency with the responsibility for managing medical materiel and equipment for the Department of Defense. DPSC negotiates numerous contracts and decentralized blanket purchase agreements designed to employ industry standard "group buying" concepts that achieve "lowest delivered cost" for DoD medical facilities.

**2.14. Dispute Office:** The installation's Servicing Contracting Office (SCO) which assists the cardholders and RMBCS in tracking and resolving disputed purchases/transactions.

**2.15. Electronic Funds Transfer (EFT):** A process used to transfer payments of funds electronically. EFT is a faster, more secure method of transferring funds versus using checks.

**2.16. EPA Guideline Item:** It is an item that is or can be made with recovered materials, it is listed by the EPA (Environmental Protection Agency) in a procurement guideline and for which EPA has provided purchasing recommendations in a related Recovered Material Advisory Notice (RMAN).

**2.17. Financial Services Office (FSO):** The Air Force Financial Services Office (office symbol usually is FMF) that provides direct customer service to an assigned organization and acts as liaison between wing and tenant organizations and the Defense Accounting Office (DAO), the Defense Finance and Accounting Service Operating Location (OPLOC), or the Air Force Regional Accounting and Finance Office (RAFO).

**2.18. Head of the Contracting Activity (HCA):** The person designated in Air Force FAR Supplement 5301.601-91 (or authorized designee). The HCA designee (usually the contracting squadron commander) issues written delegations of authority to individuals to make IMPAC Purchases.

**2.19. Installation IMPAC Program Coordinator (IPC):** This person, within the SCO, is responsible for managing the installation's IMPAC program including establishment, training, and surveillance.

**2.20. International Merchant Purchase Authorization Card (IMPAC):** The IMPAC is the official Government-wide purchase card. The abbreviation, "I.M.P.A.C.," is printed on all credit cards and will also appear on most forms provided by the RMBCS.

**2.21. MAJCOM/FOA/DRU IMPAC Program Coordinator:** The HCA's point of contact to manage the MAJCOM IMPAC program and interface with the IMPAC Program Coordinator at installations and the APC at SAF/AQC (GSA calls this the Organization Program Coordinator).

2.22. **Merchant Type Code:** The RMBCS categorizes each merchant according to the type of business in which the merchant is engaged, and the kinds of goods and services provided. The RMBCS then assigns each merchant a corresponding merchant type code. These codes are used as an authorized activity type code on an individual's card to flag those merchants that are unauthorized for that cardholder. The codes assigned to cardholders shall be tailored to reflect their duties and the mission of their organization. The merchant type codes are encrypted on the magnetic strip of the card.

2.23. **Operating Location (OPLOC):** One of the Defense Finance and Accounting Service consolidated operating locations which provide accounting and paying services to DoD activities.

2.24. **Reactivation:** The activation of the IMPAC privileges after suspension.

2.25. **Reactivation Fee:** A per-card fee of \$25 assessed to an ordering office (charged by the RMBCS against the account being reactivated) if reactivation after suspension is requested, not to exceed the number of cards assigned to the ordering office at the same time of suspension.

2.26. **Recoverable Support Division (RSD) and Systems Support Division (SSD) funds:** RSD and SSD funds are AF Supply Management Business Area (SMBA) Obligation Authority (OA) used to buy or repair AF centrally managed repairable and consumable items. The OA is provided by the DoD Comptroller on annual unit cost documents. Any changes to OA targets must be approved by the DoD(C).

2.27. **Regional Accounting and Finance Office (RAFO):** USAFE and PACAF consolidated operating locations for providing accounting and finance services to their installations. The functions of local installation accounting and finance offices were transferred to these regional centers.

2.28. **Rocky Mountain Bank Card System (RMBCS):** The RMBCS is the financial institution under contract with the General Services Administration to provide purchase card services (IMPAC) to the Federal Government. The RMBCS maintains all IMPAC accounts; issues IMPACs to cardholders; sends monthly statements to cardholders, approving officials, and finance offices; pays merchants in a timely manner; and receives reimbursement from the DFAS or Air Force disbursing offices.

2.29. **Servicing Contracting Office (SCO):** The Servicing Contracting Office is the contracting activity responsible for local purchase support to the installation, including overall management of the installation's IMPAC program.

2.30. **Single Purchase Limit:** The maximum amount authorized by a delegation of authority from the HCA for a single IMPAC purchase. This limit cannot be exceeded unless a revised delegation of authority is issued by the HCA to raise the limit. A "single purchase," however, may include multiple items.

2.31. **Statement of Account (SOA):** The SOA is a monthly listing of all purchases made by the cardholder and all credits authorized by the RMBCS.

2.32. **Suspension:** The process in which an ordering office is disallowed from making purchases with the IMPAC due to delinquency or multiple pre-suspension actions.

## **SECTION 3--AUTHORIZED AND UNAUTHORIZED USAGE OF THE IMPAC PROGRAM**

### **3.1. Authorized Use of the IMPAC.**

#### **3.1.1. Without exception, the IMPAC shall only be used to pay for authorized U.S. Government purchases.**

3.1.2. The IMPAC may be used to purchase supplies, equipment, and non-personal services up to the micropurchase level which is currently \$2,500. Above the micropurchase limit the card shall not be used except as a payment method on BPAs, IDIQs, etc. or other written agreements.

- It may be used in lieu of a Standard Form 44 or cited as the method of payment on agreements, delivery orders, and contracts.
- Written approval must be received from AF/ILSP with coordination from DFAS-DE/AN prior to establishing new IMPAC accounts for purchase of supply items for resale and reissue. Accounts not subject to AF/ILSP approval must obtain approval from SAF/FMPB with coordination from DFAS-DE/AN prior to establishing new accounts. All existing accounts expire on or before 30 Sep 97, and must be reestablished subject to the above approvals.
- It may be used to purchase authorized items from the Defense Commissary Agency and the Military Clothing Sales Store. Bases must develop procedures for using the IMPAC with the Military Clothing Sales Store in conjunction with the local AAFES sales store.
- A separate card(s) must be established for procurement of maternity clothing since the purchase is charged to the Air Force centrally managed allotment for military personnel, appropriation 5773500.
- There could be circumstances when we need to purchase items and services from the Army and Air Force Exchange Service and all other DoD Nonappropriated Funds Instrumentalities (NAFIs). Use the IMPAC card only for purchases authorized to be made with appropriated funds (See AFIs 65-106, and 65-601, Vol. 1). Purchases must be limited to goods and services which the NAFI resale outlet normally provides for its primary authorized patrons.
- If authorized to make purchases above the micropurchase threshold of \$2,500, cardholders not in contracting organizations will use IMPAC only to obtain items from pre-priced contracts and agreements (e.g., Federal Supply Schedule, Department of Veteran Affairs, Blanket Purchase Agreements, etc.). In this case authority to use IMPAC will not exceed \$25,000 per transaction.

- Medical item purchases will be AF Capital Working Fund - MDD funded and processed through the medical logistics computer system (MEDLOG) to maintain line item visibility, support FDA recall efforts and maintain required audit trails for regulated medical materiel. MEDLOG will be modified to provide identity of all IMPAC purchases to preclude passing item level receipt transactions into the accounts payable system. Use of IMPAC for medical items requires procedures to ensure items purchased can be properly received and processed in the MEDLOG system, and efficiently processed for payment. Funding documents for medical will not be approved until necessary system changes have been made to preclude duplicate processing in the accounting system for MEDLOG items purchased with IMPAC. Procedures and system changes must be coordinated with DFAS.

**3.2. Purchases Requiring Authorization:** Requests for the following commodities or services require the cardholder to contact the specified controlling/servicing organization before making the purchase. Except where noted below, verbal/telecon approval, with the identity of the authorizing official entered in the IMPAC purchase log, is sufficient:

3.2.1. Hazardous and Potentially Hazardous Materials (e.g., acetone, alcohol, benzol, ether, gasoline, naphtha, pesticides, refrigerants, poisons, radio active materials, corrosive materials, equipment cleaning solvents, color toner for printers, etc.). - Base Bioenvironmental Engineer and the Hazardous Material Pharmacy. (See Exhibit 6).

3.2.2. Communication and Computer Equipment and Software - Installation Communications unit. (See paragraph 5.3.8).

3.2.3. Telephone instruments and expansion plug-in cards - Installation Communications unit. Proper approval through the C4 Systems Requirement Process (AFI 33-103) has to be obtained. This is required to ensure configuration control and compatibility with Air Force and Joint systems.

3.2.4. Medical Items - Base Medical Logistics Officer.

3.2.5. Paid Advertisements - Appropriate authority in AFFARS 5305.502 is needed prior to purchase. Advertisements require HCA approval (approval authority may be delegated to wing commanders by the HCA for purchases less than \$2,500).

3.2.6. Visual information, electronic digital imaging and video equipment and services (NSN classes 5800 and 6700) and services - Host Base Visual Information Multimedia Manager (BVIM).

3.2.7. Supplies purchased with Reparable Support Division (RSD), Systems Support Division (SSD), or General Support Division (GSD) obligation authority for resale require procedures to ensure items purchased can be properly received and processed in the Supply System, and

efficiently processed for payment. AF/ILSP, after coordination with DFAS/AN and others, must approve in writing these procedures.

3.2.8. Rental/lease of motor vehicles - written approval from the Chief of Transportation in accordance with AFI 24-301, Chapter 5.

3.2.8.1. Rental/lease of materials handling equipment or aircraft support equipment (i.e., aircraft staircases; baggage handling equipment) when required to sustain operations at deployed locations or home station surges - Appropriate Group/Deployed Commander approval required.

3.2.9. Centrally managed items related to weapon systems - Integrated Materiel Manager (IMM). Refer to Exhibit 5 for specific procedures. NOTE: Contact the Chief of Supply if the IMM is not known. The use of the IMPAC purchase card is intended to enable field activities to resolve MICAP and work stoppage conditions. However, units must ensure supply demand histories are updated through contact with Base Supply and the IMM. **NOTE: Demand data will be captured by automated means once the Credit Card Subgroup of the Joint Group on Inventory Management (JGIM) determines a method; once a decision is made, HQ USAF/ILSP will notify MAJCOMs via message of proper procedures.** Those organizations which have been granted authority to use BPAs for that purpose may continue to do so, and may use IMPAC to pay for BPA calls, if the vendor agrees.

3.2.10. Purchase of non-expendable budget code 9 equipment and supplies - Each organization's equipment monitor will ensure accountability records are established.

3.2.11. Before acquiring repair services, the cardholder will contact the base contracting contract repair office to verify that the repair is not already covered by an existing preventative maintenance agreement. The name of the person contacted in base contracting shall be entered on the IMPAC purchase log. New equipment may also be covered under warranty and repairs may be performed under these warranties at no cost to the AF. Consult the organizational equipment custodian to ensure warranties are enforced.

3.2.12. Items or services involving the use or delivery of Class I Ozone Depleting Substances shall not be obtained by the IMPAC unless the waiver requirements set forth in HQ USAF/CVA memo, dated 14 Jul. 93, Air Force Ozone Depleting Chemical Interim Waiver Application, Approval Procedures and Reporting Requirements (available in the local Civil Engineering and Logistics Offices) is fulfilled.

3.2.13. Construction services up to \$2,000 with an approved AF Form 332 - All requirements will be processed through the base civil engineer work order approval process. MAJCOM and local policy will be established to ensure all work approved is properly planned and designed, materials used meet current construction standards, the work is properly inspected, and completed work is documented appropriately.

3.2.14. Civil engineer materials and real property (installed equipment) - Base Civil Engineer.

3.2.15. Books and manuals - The Base Library may have funds to support purchase of books or manuals and may have books or manuals available. Organizations are encouraged to check with the library prior to using IMPAC especially for non-technical books. However, no specific approvals are required.

3.2.16. Purchase of professional services - Contracting Office. Professional services are those services rendered by persons who are members of a particular profession or possess a special skill (e.g., accountants, lawyers, architects, engineers, physicians, dentists, etc.). State law may require that services rendered by these individuals be performed or approved by a person who is licensed, registered, or certified to provide such services.

3.2.17. **Overseas IMPAC Purchases.** Air Force members at overseas bases using IMPAC cards should be aware of the following mandatory procedures.

3.2.17.1. For those personnel based outside CONUS, purchases for non-medical items should be made through base supply wherever possible. If base supply is unable to meet your timeline requirement or provide the service and the IMPAC is to be used, every effort will be made to purchase items locally. All cardholders must conform to procedures outlined in paragraphs 3.2.1 through 3.2.16. If all avenues for procuring the needed material through supply or local sources are exhausted, then the cardholder must do the following:

- When procuring from a CONUS vendor, mode selection must be provided along with detailed packaging methods for safe transport to the end destination.
- Using the IMPAC for purchase of material from the CONUS includes all costs incurred for the mode of transportation selected, destination country, customs import duties (if not included in the host nation agreement or carrier tender) and any other charges that may accrue.
- Shipments via the Defense Transportation System (DTS), Air Mobility Command /Military Sealift Command, will include an Advance Transportation Control and Movement Document (ATCMD), a Transportation Control and Movement Document (TCMD), routing and marking instructions, and any other documentation the receiving base Traffic Management Office (TMO) deems necessary for the order to be moved successfully into and through the DTS.
  - When routing via DTS, the vendor Free on Board (FOB) destination will be the applicable CONUS Aerial/Water port of embarkation.
- US Postal Service (USPS) will be considered along with any other authorized carrier.

Use of small package carriers will normally be via door-to-door mode from the vendor to the ultimate overseas customer.



- DOD 4500.54-G, Foreign Clearance Guide, will be consulted prior to requisitioning action to ensure compliance with host nation requirements.

**3.3. Unauthorized Use of the IMPAC.** The IMPAC **shall not be used** for the following purposes (NOTE: HCAs may include other unauthorized uses):

**3.3.1. Cash Advances.** Cash advances are **prohibited** under the commercial credit card program.

**3.3.2. Travel related purchases including:** Rental/lease of motor vehicles associated with travel or temporary duty supported by travel orders (purchase of airline, bus, or train tickets); purchase of meals, drinks, lodging, or other travel or subsistence costs associated with Government official travel (American Express Card covers this). **Note:** Subsistence items (not prepared meals) not associated with individual travel may be purchased with IMPAC from the commissary or commercial sources and for meals paid from official representation funds (i.e., dignitaries meals, etc.). Before going to a commercial source it must be determined that troop issue (Prime Vendor) and commissary cannot support the requirement. For purchases of prepared meals, IMPAC can be used if a written determination is approved by the approving official that a corporate AMEX Card cannot be used to satisfy the requirement.

**3.3.3. Rentals or leases of land or buildings exceeding 30 days,** an example of acceptable usage would be a deployed unit needing office space on a month to month basis or a unit needing space for a conference or banquet.

**3.3.4. Purchase of aviation, diesel, or gasoline fuel or oil for aircraft and motorized vehicles** (fuel card should be used for this). SF 149 must be used for these types of purchases. However, IMPAC may be used if the SF 149 is not accepted. Regardless of the method used to purchase fuel, all fuel purchases must be reported back to the host fuels flight for computer processing into FAMS.

**3.3.5. Repair of leased vehicles** when the lease provides for service/maintenance.

**3.3.6. Purchase of telecommunications services, i.e., major systems such as FTS 2000 or DSN** (unless approved or purchased by personnel assigned to the Communications squadron).

**3.3.7. Purchase of hazardous/dangerous items such as explosives, munitions, toxins, firearms,** unless local purchase authority is granted by the IMM.

**3.3.8. Purchases of janitorial, yard and maintenance services, or other repair services covered by contracts already written for these services on base** (check with the Contracting Office first) unless there is an emergency situation where the contractor cannot meet the requirement.

3.3.9. Purchases of printing or copying services provided by commercial sources. Cardholders shall use the Defense Automated Printing Service (DAPS) or any government printing/copying office (IMPAC is accepted by these required printing sources).

3.3.10. Purchases of personal services.

3.3.11. Purchases of classified and sensitive items.

3.3.12. Purchases of construction services exceeding \$2,000 (Davis-Bacon Act).

3.3.13. Purchases of MWR peculiar items such as athletic shoes, clothing, equipment, sports uniforms, etc., unless purchased by MWR offices.

3.3.14. Purchases of Individual Equipment and Organizational Clothing (items managed by Base Supply Individual Equipment Unit).

**3.4. Use of the IMPAC for Contingency/Exercise Operations.** With the exception of the information contained in this section, all other Air Force IMPAC procedures apply to the use of the IMPAC for contingency/exercise operations.

3.4.1. Warranted contingency contracting officers are authorized to use the IMPAC in contingency/exercise operations. In many contingencies, however, credit instruments will not be acceptable to the host nation vendors or service providers and cash payments must be made. When setting up an account for this purpose, each warranted contingency contracting officer should have an IMPAC, ready for use when deployed. The approving official in each case will be the contracting squadron commander/base contracting officer or his/her designated representative. When individuals participating in the operation are in TDY status, the IMPAC Cardholder must document why he/she used IMPAC in lieu of the individual using his/her government AMEX Card to pay for lodging and meals to a commercial lodging establishment.

3.4.2. IMPAC cardholders may continue to use their cards when deployed with their unit only for exercises of short duration when their unit's funding will be used. The approving official will remain the same person. Cardholders and approving officials must ensure there are no delays in review and verification of the monthly statement provided by Rocky Mountain BankCard System. An example would be a Red Horse organization deploying for a two-week period and then returning to their home station. MDD funded cards for which purchases will be reissued through MOMEDLOG may be used regardless of the duration of the deployment or exercise.

3.4.3. Except for purchases of HAZMAT and weapon system parts, the coordinations delineated in paragraph 3.2, above, are not required during contingency/exercise operations if the cardholder is not collocated with the controlling/servicing organization.

3.4.4. The types of purchases prohibited under paragraphs 3.3.1, 3.3.3 through 3.3.8, and 3.3.10 also apply to contingency operations.

3.4.5. A single purchase limit may be established up to \$200,000 to cover written orders supported by a SF 1449 or SF44, awarded and performed outside the United States in support of a contingency operation (as defined in 10 U.S.C. 101 (a) (13)) or a humanitarian or peacekeeping operation (as defined in 10 U.S.C. 2302 (7)). The monthly cardholder limit and the monthly office limit will be established by the SCO. **(Copy of SF 1449 or SF 44 will not be distributed to Finance and/or processed through BCAS by the CCO if IMPAC is used as the payment method).**

3.4.6. Monthly statements will be sent to the contracting squadron/office where the cardholder is permanently assigned. In cases where the cardholder is TDY for an extended period of time, the cardholder's monthly statement will be transmitted to the cardholder by the most expeditious means, i.e., facsimile. The cardholder will reconcile the statement and transmit the statement by facsimile to the approving official within the established time period. The approving official will then comply with normal IMPAC procedures.

3.4.7. If the contingency contracting officer and the finance representative are deployed from different installations, a copy of the funding document shall be provided to the contingency contracting officer's approving official. The funding document shall be closely monitored by both the approving official and the finance representative and shall be reconciled each month.

3.4.8. A certified funding document is required to obtain a master accounting code before IMPACs are requested for warranted contingency contracting officers. However, adequate funding is required prior to the use of the card.

3.5. **Authorized Use of the IMPAC by Geographically Separated Units (GSUs):** GSU's, located more than 50 miles from the base-of-support, are exempt from the coordination requirements in paragraph 3.2, above. However, a purchase log shall be maintained to track purchases.

3.6. **Authorized Use of the IMPAC by Tenant Organizations:** The IPC may establish IMPAC accounts for Air Force tenants when the tenant's funds are maintained by the installation's Financial Management Office. Accounts shall not be established if the payment cannot be made as a "for self" payment, i.e., the accountable and payable station must be the same.

3.7. **Authorized Use by Government Contractors:** The IPC may establish IMPAC accounts for use by Government contractor personnel who are acting in the capacity as a government agent for procuring items from commissary or other commercial sources. These cards will be funded and controlled in the same manner as if issued to government personnel. There will be a funding document established for an Air Force approving official for the cards that are issued to contractor personnel. The contractor will reconcile card purchases and an Air Force approving official will review and approve the cardholder statements. However, prior to establishing such accounts, the IPC will establish procedures for use, oversight, and control acceptable to the MAJCOM/FOA/DRU IMPAC Program Coordinator, FSO, and DFAS. **(NOTE: The Air Force is ultimately liable for use and management of cards issued to contractors).**

**3.8. Use of IMPAC for Environmental Protection Agency (EPA) Guideline Items:** The Resource Conservation and Recovery Act and Solid Waste Disposal Act require agencies to use recovered materials for EPA designated items to the maximum extent practicable without jeopardizing the intended use of the item.

3.8.1. A list of EPA Guideline Items can be requested from the Environmental Management function at the base (CEV). Items include paper and paper products, vehicular products, construction and transportation products, park and recreation products, landscaping products, and non-paper office products.

3.8.2. Acquisition of EPA designated items which do not meet the EPA minimum recovered material standards must be approved by the cardholder's squadron commander or equivalent. A written determination based upon one of the following reasons must be maintained by the cardholder organization:

- Items containing EPA recommended recovered content standards are not available within a reasonable period of time.
- Items are only available at an unreasonable price.
- Items are not available from a sufficient number of sources to maintain a satisfactory level of competition.
- Items based upon technical verification fail to meet performance standards of specifications.

When conditions apply for repetitive purchases of the same item an annual blanket determination may be approved and maintained by the cardholders' organization.

## SECTION 4--ESTABLISHING AN IMPAC ACCOUNT

- 4.1. Commanders or chiefs of requiring activities prepare a written Letter of Appointment designating the proposed cardholder and approving official. (Application forms may be included with the letter or provided at the training session depending on local procedures). The letter of appointment is processed by the IMPAC Program Coordinator.
- 4.2. The letter of appointment will fully describe the types of purchases to be made (including appropriate merchant activity codes); identify the name, rank, duty title, and telephone number of the cardholder(s) and AO(s); and specify the funds to be used to pay for the IMPAC purchases. Coordination with the servicing FSO is mandatory to ensure that the proper funds are allocated for the IMPAC charges. The AO initiates the request for a funding document from the servicing FSO.
- 4.3. The IMPAC is subject to a single purchase limit, a monthly cardholder limit, and a funding document limit. The IPC sets up the IMPAC accounts with the RMBCS subject to the requested limits.
- 4.3.1. Single Purchase Limit. Where cardholders will only make purchases under the micropurchase threshold the single purchase limit on the card cannot exceed the micropurchase limit of \$2,500. The single purchase limit must be entered in increments of \$50. If authorized to make purchases above the micropurchase threshold of \$2,500 a single purchase limit will be established by the AO. (See paragraph 3.1.2.).
- 4.3.2. Monthly Cardholder Limit. The monthly cardholder limit is the total dollar value of the cardholder's IMPAC purchases allowed for any single month. The monthly cardholder limit shall be entered in increments of \$100.
- 4.3.3. Funding Document Limit. The funding document limit is a budgetary limit established on the Air Force Purchase Card Funding Authorization form by the AO in coordination with and certified by the FSO.
- 4.4. In all instances, the AO will obtain a certified funding document before requesting IMPAC cardholder accounts. For Contingency/Exercise Operations accounts see paragraph 3.4.8.
- 4.5. The IPC shall furnish a written response, only for any disapproved letter of appointment, to the requesting activity within ten work days after receipt of the written request. Disapprovals shall explain the rationale for denial and should be signed by the chief of the contracting office.
- 4.6. In setting up an IMPAC account, the IPC shall incorporate the Merchant Activity Type Codes, which are identified in the requiring organization's request. Cardholders will not be assigned "**permanently**" the Merchant Activity Type Code "000" unless specific written justification exists for that unrestricted code (e.g., for contingency contracting support by contracting personnel).

4.7. The IPC will coordinate single and monthly purchase limits with the designated AO and will forward the required set-up documentation to RMBCS. Insure the master accounting code from the funding document is entered in the User Field 2 cardholder account set-up document prior to forwarding to RMBCS. The IPC should establish electronic transmission connectivity to set up and maintain cardholder accounts. A delegation of authority letter shall be forwarded to the cardholder after the required training is completed. This letter delegates the authority to the cardholder to act as a purchasing agent to obtain supplies, equipment and services with the IMPAC subject to the limits explained in the letter.

4.8. The RMBCS mails the IMPAC to the cardholder or designated distribution point within five work days after RMBCS receives the cardholder's account set-up information (or within two work days, if electronically transmitted to the RMBCS).

4.9. The RMBCS uses a Voice Response Unit (VRU) to ensure that the IMPAC has been received by the cardholder or the designated distribution point. When the cardholder receives the IMPAC, he must immediately access the VRU. The VRU is accessible through the RMBCS's toll free number (or direct telephone number for foreign users).

4.10. The RMBCS can provide various reports to meet management and administrative needs. During the account set-up and training process these reports are established with the IPC.

## **SECTION 5--RESPONSIBILITIES AND PROCEDURES FOR IMPAC OPERATIONS**

### **5.1. Air Force Level: Agency Program Coordinator (APC):**

5.1.1. SAF/AQCO is designated the Agency Program Coordinator (APC). The APC's address is:

SAF/AQCO  
ATTENTION: IMPAC Program Coordinator  
1060 Air Force Pentagon  
Washington, DC 20330-1060

### **5.1.2. Primary Responsibilities:**

- Administers the USAF IMPAC Program.
- Establishes policies and guidelines for USAF implementation subject to SAF/AQC approval and Secretariat and Air Staff coordination.
- Acts as liaison among USAF, RMBCS, and GSA.
- Provides information to MAJCOM/FOA/DRU APCs.
- Reviews IMPAC Summary Statistical Report (G089).

### **5.2. MAJCOM/FOA/DRU Level:**

5.2.1. **Appointment of IPC:** Each MAJCOM/FOA/DRU shall appoint a MAJCOM/FOA/DRU IMPAC Program Coordinator.

5.2.2. **Field Communication:** IPCs shall first direct questions or issues to their MAJCOM/FOA/DRU IMPAC Program Coordinator who will, in turn, contact the Air Force APC.

5.2.3. **Additional Guidance:** Any additional guidance required to implement the IMPAC Program within the MAJCOM/FOA/DRU will be developed by the MAJCOM/FOA/DRU IMPAC Program Coordinator. **MAJCOM/FOA/DRU IMPAC Program Coordinators will not establish supplemental procedures which add tasks to cardholders or approving officials without approval of the SAF APC.**

### **5.3. Installation Level:**

5.3.1. **Installation Commander:** The Installation Commander or equivalent at smaller organizational levels shall have the overall responsibility for the operations of the IMPAC Program on the installation or organization.

5.3.1.1. The Installation Commander or the Contracting Squadron Commander has the authority to suspend or terminate IMPAC privileges to cardholders and approving officials and the Installation Commander and/or the respective Squadron Commander has the authority to discipline cardholders and approving officials who abuse or violate IMPAC Program requirements.

5.3.2. **Servicing Contracting Office (SCO):** The SCO is the primary point of contact for all RMBCS business having to do with the installation. The SCO Squadron Commander/Office Chief designates an Installation Program Coordinator to manage the responsibilities depicted in paragraph 5.3.3.

5.3.2.1. Chiefs of contracting offices (SCO) must be delegated the authority by MAJCOM HCAs (or designees) to further delegate contracting authority to cardholders to use IMPAC for micropurchases. A sample delegation of authority letter is contained in Exhibit 1.

5.3.2.2. Chiefs of SCO must issue written authority to cardholders to make purchases, subject to the following thresholds for single purchase limits:

- Personnel not assigned to a contracting office shall not be delegated authority to use the IMPAC to obtain commercially available products or services exceeding the threshold for micropurchases of \$2,500.
- Cardholders not assigned to a contracting office will be limited to less than \$25,000 in obtaining items or services off prepriced BPAs, prepriced contracts, and mandatory FSS/GSA/VA delivery orders (where the card is accepted). **Anytime the authority is granted to cardholders to obtain items above \$2,500 with decentralized contracts (BPAs, IDIQs, etc.), the SCO will establish a method to obtain summary data on monthly expenditures for collection and reporting in the appropriate categories prescribed in DD Form 1057.**
- Cardholders purchasing medical/dental supplies may purchase up to the Federal Supply Schedule contract limit for Defense Personnel Support Center (DPSC) or Department of Veterans Affairs (VA) Decentralized Blanket Purchase Agreements (DBPAs). Use of the card to fund orders against DPSC/VA negotiated medical blanket purchase agreements in lieu of automated information system interfaces between MEDLOG and DFAS is discouraged unless it would result in an overall lower delivered cost to the government.
- Warranted contracting officers and other designated contracting/purchasing personnel may use IMPAC as a payment method up to \$999,900. Cardholders in contracting must comply with the procedures in this document for establishing, funding, reconciling, and approving IMPAC purchases. Cards cannot be issued to contracting unless a funding document is established for the card purchases.



### **5.3.3. Installation IMPAC Program Coordinator (IPC):**

**5.3.3.1. General:** This individual is responsible for the day-to-day operations of the installation's purchase card program. IPC functions include the processing of IMPAC applications; issuing delegations of contracting authority; establishing reports; and providing mandatory IMPAC training and surveillance. Additional responsibilities include the following:

- The IPC is the primary point of contact with the RMBCS for all IMPAC business associated with the installation.
- Ensures that IMPAC implementation is coordinated with the servicing FSO and that a certified funding document exists before issuing a card.
- The IPC initiates the revocation authority of IMPAC privileges for individuals who violate IMPAC procedures.

**5.3.3.2. Verification of Cardholders:** The IPC shall maintain a current listing of all cardholders and AOs under his/her jurisdiction.

### **5.3.3.3. Training.**

#### **5.3.3.3.1. General:**

- The IPC is responsible for training all cardholders and AOs in the uses and requirements of the IMPAC Program. The completion of IMPAC Program training is required prior to the issuance of an IMPAC.
- The length of the required orientation sessions shall be established by the IPC. However, a minimum of four hours is recommended for those cardholders who have not previously completed formal training in small purchases/contracts. At the discretion of the IPC, contracting officers, senior procurement personnel, or other qualified personnel shall supervise the orientation/training. The training requirement for cardholders trained at a previous duty station may be abbreviated or waived as deemed appropriate by the IPC.
- All trainees must sign a statement of training certifying that: they have received the IMPAC training; they understand the training provided; they have been provided the IMPAC training materials which can be utilized for future reference; and they understand the penalties associated with misuse of the card. A sample training record is provided at Exhibit 4. This document shall be retained by the IPC while the cardholder's account remains active.

**5.3.3.3.2. Required Training Areas:** The training program shall cover the following subject areas:

- Air Force IMPAC internal operating procedures.
- Cardholder and AO Responsibilities.
- Cardholder Guide. The RMBCS has developed a guide for cardholders covering many of the IMPAC operating procedures. This guide will be given to each cardholder upon establishment of the card.
- Approving Official Guide. The RMBCS has developed a guide for AOs containing IMPAC procedures relating to AOs. Each AO will be given a copy of this guide upon establishment of the card.
- Specific guidance on use of mandatory sources and order of precedence of sources as prescribed in FAR, Part 8, and DFARS, Part 208 such as: National Industries for the Blind (NIB), National Industries for the Severely Disabled (NISH), Federal Prison Industries, and mandatory FSS/GSA/VA schedule requirements.
- Prepriced Blanket Purchase Agreements (BPA) and Blanket Delivery Orders (BDO) procedures. Include procedures to collect DD Form 1057 data when cardholders are allowed to make purchases above \$2,500.
- Funding document maintenance, account certification, and billing procedures. The FSO shall assist in this part of the training.
- Federal, defense, and departmental acquisition regulations, policies, and procedures.
- Use of recovered materials (purchase of EPA guideline items). (See FAR Part 23.4).
- Hazardous materials.
- Competition and price reasonableness.
- Documentation requirements.
- Prohibition against splitting requirements.
- Rotation of sources.
- Requirements relevant to construction purchases.

- Purchase of non-medical equipment items, allowance standards, and placing equipment items on an organizational account after receipt. Base Supply should provide an instructor for this portion of the training.
- Instructions on use of warranties.
- Information on contracts and agreements on the base which already provide services to base customers and should not be duplicated by cardholders.
- IPCs, at their discretion, may provide procurement ethics training to all cardholders and approving officials who are not employed in contracting or procurement and who have decision making responsibilities regarding IMPAC expenditures.
- Review available report products and statement of account, invoice reconciliation procedures.

**5.3.3.4. Violation of the Air Force IMPAC Procedures:** If, as a result of findings from a surveillance visit, or by any other means, it is discovered that the cardholder is in violation of the procedures contained herein, a letter, signed by the Contracting squadron commander (or equivalent), will be sent to the cardholder's commander, with a copy provided to the cardholder and approving official. The IPC will then take the appropriate action to have the RMBCS change the cardholder's monthly purchase limitation as described below. The letter must state the following:

- A violation (describe) was discovered or is occurring.
- The monthly purchase limitation for that particular cardholder has been reduced to \$0.00.
- The revised limitation will remain in effect until (1) the cardholder's commander takes appropriate action against the cardholder and (2) the cardholder receives remedial training on the Air Force IMPAC procedures.
- After the above described actions have been accomplished, the monthly purchase limitation will be changed to reflect the previous requested amount.
- Further offenses will be grounds to revoke the IMPAC privileges for that cardholder.

**5.3.3.5. Card Reissue:** The RMBCS will reissue the IMPAC every 24 months to each active cardholder. The RMBCS will forward to each IPC, at least three months prior to the expiration of each IMPAC, a Card Reissue Report which lists each active IMPAC scheduled for renewal. The IPC must inform the RMBCS, in writing, within 30 work days after receipt of the report, which IMPACs should not be reissued.

#### 5.3.3.6. **IMPAC Surveillance Requirements:**

- Surveillance will be accomplished by the IPC for each cardholder at least annually. Newly appointed cardholders should be randomly surveilled at the discretion of the IPC after the first three months to ensure they are effectively performing their duties and following all procedures.
- The surveillance guide at Exhibit 3, or a guide substantially the same, will be used to accomplish the surveillance. Surveillance will consist of on site reviews of randomly selected transactions for frequent users of the IMPAC (i.e., more than 50 purchases per year) and a sample of randomly selected cardholders for 100% reviews for all others. Reviews may be extended to once every 18 months for cardholders who demonstrate exceptional performance in these duties.
- Where automated systems provide capabilities to examine the population of transactions for purchases from unauthorized merchants, violations of limits, and other irregular activities, the IPC will use these capabilities as part of the surveillance program. In these cases, on-site reviews should be conducted immediately on cardholders where violations are noted.
- Surveillance results will be maintained on file in the IPC office for 3 years. Copies of the surveillance results will be forwarded to the cardholder's organizational commander, the AO, and the cardholder. The IPC will meet with the cardholder to discuss each finding of noncompliance. Surveillance of IMPAC purchases made during contingency/exercise operations will occur within five work days following the conclusion of the contingency/exercise.
- MAJCOMs will not supplement the surveillance guide except when the IMPAC is used in exceptional cases such as authorized tests or other IMPAC applications not covered by the checklist.

5.3.3.7. **Base Closure:** In accordance with DoD Financial Management Regulations, para 120402 D, purchase card usage should be terminated at least three months before a base is closed. The IPC shall contact RMBCS and arrange for transfer of the paying function to a successor finance office and the transfer of program management responsibilities to an appropriate contracting point of contact.

5.3.4. **Approving Official (AO):** The AO must be in the same chain of command as the cardholder (i.e., Unit or Squadron) and the level of responsibility inherent in this position suggests that the grade of the AO needs to be commensurate with that responsibility (i.e., mid-level grade). A cardholder cannot be his/her own AO nor can anyone be an AO for his/her immediate supervisor. An AO cannot also be a cardholder. An alternate AO shall be designated during leave or TDY of the primary AO to avoid statement processing delays. The AO has the

authority to direct the IPC to instruct the RMBCS to cancel the IMPAC for any of his/her cardholders at any time.

**5.3.4.1. Establishing Dollar Limits:** The AO is responsible for recommending IMPAC dollar limits to the IPC for all of his/her cardholders and ensure that established limits are not exceeded. These limits are established in coordination with the FSO and the IPC. (See Section 4, Establishing an IMPAC Account).

**5.3.4.2. Reconciliation:** Each month the AO:

- Obtains and reviews each of their cardholder's statements.
- Verifies that all transactions were appropriate, given the duties of the cardholder and mission of the unit; and that purchases were made in accordance with these procedures.
- Signs the monthly Master Account Summary Report (R090) and forwards the original R090 to the FSO within five work days after receipt.
- Retains cardholder's supporting documentation for one year-after final payment then destroys at the end of the fiscal year cut off (IAW AFMAN 37-139, Table 64-1, R 26 and FAR 4.805. (Exception: If the AO determines that the files have future value to the Government, retain and destroy when no longer needed).

**5.3.4.3. Cancellation of Purchase Card Accounts:**

- Complete a Cardholder Maintenance form with the boxes "cancellation" and "card destruct" marked and forward to the IMPAC Program Coordinator.
- Notify the servicing FSO for adjustments to funding document.

**5.3.4.4.** The AO shall verify, at least semiannually, that cardholders are in possession of their purchase cards. Approving officials must notify IPCs of cardholders who have retired, separated, been reassigned, or who no longer have cardholder responsibilities.

**5.3.4.5. Lost or Stolen Cards:** The AO shall submit a written report through the IPC to the MAJCOM/FOA/DRU IMPAC Program Coordinator within five work days. The report will include:

- The IMPAC number, the cardholder's complete name;
- The date and location of the loss, the date reported to police;
- The date and time RMBCS was notified;

- Any purchase(s) made on the day the IMPAC was lost or stolen; and
- Any other pertinent information.

5.3.4.5.1. A new IMPAC will be mailed within 24 hours of the reported loss or theft (Monday through Friday). For international card replacement, RMBCS will replace lost or stolen cards within 48 hours of the reported loss or theft. If the cardholder finds the original IMPAC, it shall be cut in half and given to the approving official who will complete the destruction notice and forward it to the IPC, who will notify the MAJCOM/FOA/DRU IMPAC Program Coordinator.

### 5.3.5. Cardholder.

5.3.5.1. **General:** The IMPAC bears the cardholder's name and may only be used by the named cardholder to pay for authorized U.S. Government purchases in compliance with the Federal Acquisition Regulation (FAR), and applicable Air Force regulations and procedures. The IMPAC was specially imprinted with the Great Seal of the United States and the words "United States of America" to avoid being mistaken for a personal credit card. A cardholder who makes unauthorized purchases or carelessly uses the IMPAC may be liable to the government for the total dollar amount of unauthorized purchases made in connection with the misuse or negligence. He or she may also be subject to disciplinary action under DoD and USAF directives and regulations. The government shall be liable for use of IMPACs by authorized cardholders.

5.3.5.2. **Conditions for Use:** Cardholders must ensure that they do not exceed the purchase limits established for their account. The total of a single purchase may be comprised of multiple items, but it cannot exceed the authorized single purchase limit. Purchases will be denied if the authorized single purchase limit is exceeded. Payment for purchases shall not be split in order to stay within the single purchase limit. Purchases which would exceed the single purchase limit must be forwarded through the proper channels to Contracting for their action.

5.3.5.2.1. All items purchased over-the-counter must be available within one billing cycle. The item must be received or the service completed before the item appears on a statement of account. (Exception: Subscriptions). Orders will not be made using IMPAC when vendors are unable to ship the total quantity of the purchase in the same shipment unless: (1) all items purchased will be shipped within the same billing cycle in which they were ordered; and (2) all items purchased will not be shipped within the same billing cycle but the vendor is willing to not bill the bank until all items are shipped.

5.3.5.2.2. All items purchased by telephone and paid for using the IMPAC must be delivered by the merchant within the 30-day billing cycle. The order shall not be placed without this assurance. If an item is not available immediately, back ordering is allowed only if procedures stated in paragraph 5.3.5.2.1 are followed. (Exception: IMPAC may be used to pay for delivery of subscriptions, e.g., magazines, periodicals, etc.).

5.3.5.2.3. When purchasing items by phone or over-the-counter, the cardholder shall inform the merchant that it is for official Government purposes and therefore it is not subject to state or local sales tax. The card will be embossed with "U.S. GOVT TAX EXEMPT" for additional clarification. RMBCS can emboss tax exempt numbers on the IMPAC, upon request.

#### 5.3.5.3. Making IMPAC Purchases:

5.3.5.3.1. **General:** All acquisition, supply, and finance regulations apply to IMPAC purchases. Cardholders **must comply** with the following procedures when purchasing from commercial sources:

- Document all IMPAC purchases in a log (see sample log at Exhibit 2). The documentation should be held until the monthly billing statement is received and then attached to the statement when it is submitted to the approving official.
- Ensure that funds are available to pay for items being purchased. Only firm-fixed price transactions are authorized.
- Ensure that the supply or service is not one that must be purchased from a required source of supply IAW FAR Part 8 (i.e., FPI, NIB/NISH, existing requirements contracts, etc.). If required sources provide these products or services, the cardholder must use these sources. Many of the required sources accept IMPAC.
- Ensure that the price includes delivery at free on board (f.o.b.) destination. All transportation costs shall be included in the purchase price for IMPAC transactions.
- Rotate sources. Purchases not over \$2,500 may be made without securing competition if the cardholder considers the prices to be reasonable. Whenever practical, solicit suppliers other than the previous vendor before placing repeat orders. If suppliers furnish standing price quotations or catalog prices on a recurring basis, obtaining competition on individual purchases is not necessary, but the prices should be periodically confirmed as current. When determining the number of sources to solicit, consider the nature of the item or service to be purchased and whether it is highly competitive; information from recent purchases of the same or similar items or services; the urgency of the purchase; the dollar value of the purchase; and past experience concerning dealer prices. These purchases shall be distributed equitably among qualified vendors.
- Ensure that a reasonable price is obtained by comparing with prices offered by other vendors for the same or similar item or service.
- Purchases not exceeding \$2,500 are exempt from the Buy American Act and Small Business Set-aside Program.

- Certify that the quantity and quality of the items or services furnished are in accordance with the agreement (verbal or written) with the vendor. (Make sure that you receive what you pay for!)

#### 5.3.5.3.2. **Over-the-counter transactions:**

- Advise the merchant that the purchase is not subject to state or local sales tax. (A notice of tax exemption also appears on the purchase card). If a merchant questions the tax exempt status, notify the IPC who has the tax exempt number. Overseas purchases may include the tax if vendors do not acknowledge tax exempt status and circumstances make it unreasonable to order from a U.S. vendor.
- Verify that the dollar amount is correct and that no sales tax has been included.
- Sign the sales draft and retain a copy for record purposes and for verification of the monthly Statement of Account.

#### 5.3.5.3.3. **Mail or telephone order purchases:** When placing a telephone order to be paid using the IMPAC, **the cardholder shall:**

- Notify the vendor that the purchase is **tax-exempt**.
- Confirm that the **vendor agrees to charge the IMPAC when shipment is made** so that receipt of the supplies may be certified on the monthly Statement of Account.
- Instruct the vendor to include the following information on the shipping document or packing slip to alert the receiving offices and the requisitioner that the supplies have been purchased with the purchase card. (Also see paragraph 3.2.17 - Overseas IMPAC Purchases).

Cardholder name and correspondence symbol;

Building number, room number, street address, city and state;

Cardholder telephone number; and

The term "Credit Card."

#### 5.3.5.3.4. **Purchases requiring the issuance of a written order or contract:**

- If the IMPAC is used to pay for a purchase made by using one of the purchase order or contract forms the vendor should be provided the necessary information orally, either in person or by telephone, and the statement "**Payment to be made by purchase card**" should be inserted on the form. Do not include specific information from the IMPAC on



the purchase order. The purchase card number may be entered on the AF Form 656 used for purchases from the Military Clothing Sales Store if required by AAFES.

- If the vendor requires a purchase order BCAS will generate a SF 1449. The vendor is given a copy of the purchase order and the cardholder maintains a copy. **Do not distribute other copies.**

**5.3.5.3.5. Manufacturer/Retailer Rebates:** Cardholders should take advantage of any rebates offered. Manufacturer/retailer rebates shall be made payable or endorsed to the U.S. Air Force. Rebates in the form of checks or cash should be forwarded to the FSO for deposit with Treasury. Rebates will be processed as an appropriation refund to the AO's organization and should be credited to the applicable funding document.

**5.3.5.4. Documentation and Retention:** For each purchase card transaction, the following documentation shall be maintained for the period indicated:

- Documentation received by the cardholder from merchants to support purchase transactions -- 60 days (if an item is in dispute, maintain documents till the dispute is resolved).
- Documents generated at the cardholder level to support payment certification forwarded to the AO (e.g., SOAs with merchant receipts, manual and/or electronic logs of purchases) -- 1 year after final payment, destroy at the end of the fiscal year cut off (IAW AFMAN 37-139, Table 64-4, R 26 and FAR 4.805) . Exception: If the AO determines that the files have future value to the Government, retain and destroy when no longer needed).
- Documents generated at the billing office level supporting a certified invoice for payment (e.g., certified RMBCS invoices; pre-certified statements or electronic files received from cardholders supporting respective invoices; and all Notices of Invoice Adjustment that changed the amount of the invoice) -- 6 years and 3 months after the final payment is made (AFMAN 37-139, Table 177-18, R 6).
- Documents generated at the IPC level supporting cardholders and approving officials (e.g., training records, surveillance records, delegation of authority, etc.), retain as long as the cardholder and approving official are performing that function. Keep for one year after termination of duty and then destroy. Exception: If the IPC determines that the files have future value to the Government, retain and destroy when no longer needed.

**5.3.5.5. Reconciliation And Payment Procedures:** Each month the cardholder must reconcile the SOA distributed by RMBCS. The SOA itemizes each transaction posted to your account during the past billing cycle. Upon receipt of the SOA you must:

**5.3.6.4. Certification of the Invoice for Payment:** Purchase card invoices will be paid using “Pay and Confirm” procedures. The FSO will certify the invoices for payment prior to receipt of the confirmation statements from the approving officials. The approving official statement will be forwarded to the FSO for after-the-fact verification that items were received.

- The FSO is the office designated to receive the invoice for the purchase card program. The official invoice must be stamped with the date received in the FSO. This date will be used to determine the net pay due date as required by the Prompt Payment Act (PPA). If the FSO fails to annotate the receipt date on the invoice, the date of the invoice will be used to compute the net pay due date.
- Upon receipt of the official invoice, the FSO will verify the amount remaining on each funding document is sufficient to cover the total amount of the invoice. The available balance may be recorded as an obligation on a call placed against the funding document, or may still be recorded as a commitment as part of the quarterly commitment amount. An increase to the commitment or call obligation amount must be posted if sufficient funds are not available on the funding document.
- If the Master Account Code is not shown in the Accounting Code line on the invoice, the FSO will annotate the applicable funding document numbers for each account on the invoice and certify the invoice for payment on a “pay and confirm” basis. The FSO will contact the IPC to update the cardholder’s account setup information to include the Master Account Code.
- All invoices must be certified for payment and submitted to arrive at the paying office not later than 15 days after receipt of the invoice in the FSO.
- The FSO will not reconcile approving official certified SOAs to invoices paid prior to certifying the invoice for payment.
- Cardholders and approving officials will verify the statements and work any irregularities through the disputes process. Disputes will be resolved between the cardholder and the vendor to the maximum extent possible. A Questioned Item Form will not be prepared for disputes that are less than 45 days old from the date of receipt of the statement containing the disputed charge. Do not adjust invoice for disputed items.
- Upon notification of a denied dispute, the approving official will forward a copy of the CSQI to the FSO for payment. The CSQI must identify the original invoice charged. The FSO will insure funds are available, prepare and certify a payment voucher citing the appropriate fund cite, and forward the CSQI and payment voucher to the paying office for payment.

- **MERCHANDISE RETURNED or CREDIT NOT RECEIVED:** Attempt to resolve by contacting the vendor. Record questioned amount in the "Disputed Items" column of the purchase log. If upon receipt of the next month's SOA the account has still not been credited for the questioned amount, then submit a CSQI.
- To resolve any other types of incorrect charges including: **UNAUTHORIZED MAIL OR PHONE ORDER, DUPLICATE PROCESSING, ALTERATION OF AMOUNT, UNRECOGNIZED CHARGE:** Contact the vendor. If the cardholder cannot resolve the problem with the vendor, then immediately forward a CSQI to RMBCS and a copy to the DAO/OPLOC/RAFO.
- If the disputed charge involves sales tax or transportation costs charged erroneously by the merchant, the amount of the tax or erroneous transportation costs cannot be disputed through Visa Chargeback Regulations. Cardholders shall make every effort to obtain a credit for the amount of the tax or transportation costs from the merchant. If a credit is not obtained, ordering agencies must pay the tax or transportation costs. Do not file a CSQI for this.
- Each month, RMBCS distributes a "Status of Disputed Transactions" report in addition to the SOA, which lists all unresolved disputes as well as those resolved during the last billing cycle. The cardholder must review this report and compare it to the "Disputed Items" column of the purchase log. Contact the IMPAC Customer Service Department or IPC to resolve any outstanding discrepancies. If a dispute is denied by RMBCS the cardholder forwards a copy of the statement of disputed transactions and copy of the applicable CSQI to the AO who in turn forwards it to the FSO within 5 days.
- If items purchased with the card are found to be defective, the cardholder obtains replacement or correction of the item as soon as possible. If the merchant refuses to replace or correct the faulty item, the cardholder will consider the item in dispute. Items in dispute are handled in the same manner as billing errors. Credited amounts may not be added back to the funding document or reused by the cardholder without coordination from the FSO. Any disputed amounts denied by RMBCS must be submitted to the FSO.

**5.3.5.7. Leave or Travel:** If the cardholder will be on leave or TDY during the time SOAs are normally distributed, the cardholder shall forward the purchase log and all supporting documentation to the AO. The AO will send the statement to the FSO for payment within five work days of receipt as usual. When the cardholder returns he/she must sign the original SOA and forward it to the AO.

**5.3.5.8. Cancellation of Purchase Card Account:** Upon reassignment, separation, retirement, etc., a cardholder must surrender the IMPAC to the approving official who will complete a destruction notice (or write a letter) and forward it to the IMPAC Program Coordinator. The IPC will cancel the account with RMBCS and document the file.

- Document number (8 alpha/numeric characters) assigned to control each funding document. The document number includes the 6 character Master Account Code, preceded by the 2 position fiscal year.
  - Document Number Structure:  
 Positions 1-2, equal current fiscal year, i.e., 97.  
 Positions 3-8 equal the Master Account Code above.  
 Example: 9720A123
- The funding document may be issued on a quarterly or yearly basis.
- Provide training for maintenance, reconciliation, and approval of monthly statements, as well as the processes related to vendor payment.
- Limit fund cites to the funds supporting the operations of the organization to which the funding document is issued. Funding documents may not be issued that would result in “cross disbursements” or “for others” payments.
  - Use the predominant EEIC that applies to the majority of the purchases to be made on the account as part of the fund cite for non-medical purchases. Authorized medical logistics personnel will use MDD fund cites and process purchases through MEDLOG to appropriately expense issues to O&M funded activities. If there is no predominant EEIC, use 619.50. Not applicable to accounting classifications not requiring an EEIC.
- A separate account and funding document must be established for each accounting classification authorized. Each card issued to a cardholder may be assigned only one accounting classification. Normally only one funding document will be issued per approving official.
- Certify fund availability on the funding document. The funding certification is a qualified certification. The certification is accomplished at the time the funding document is issued and it does not have to be recertified each quarter. If funds are not available, notify the approving official that purchases cannot be made on the account until notification is received that funds are available.
- Recording commitments. The quarterly commitment amount will be recorded in IAPS as a commitment for all funding documents requiring commitment accounting. Use the AF Form 616 procedures in IAPS for all funding documents. At the beginning of the second, third, and fourth quarter, increase the existing IAPS AF Form 616 amount by the quarterly commitment amount shown on the funding document. See Payment Office Procedures below for de-commitment and obligation recording.

- Document number (8 alpha/numeric characters) assigned to control each funding document. The document number includes the 6 character Master Account Code, preceded by the 2 position fiscal year.
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- A separate account and funding document must be established for each accounting classification authorized. Each card issued to a cardholder may be assigned only one accounting classification. Normally only one funding document will be issued per approving official.
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- **MERCHANDISE RETURNED or CREDIT NOT RECEIVED:** Attempt to resolve by contacting the vendor. Record questioned amount in the "Disputed Items" column of the purchase log. If upon receipt of the next month's SOA the account has still not been credited for the questioned amount, then submit a CSQI.
- To resolve any other types of incorrect charges including: **UNAUTHORIZED MAIL OR PHONE ORDER, DUPLICATE PROCESSING, ALTERATION OF AMOUNT, UNRECOGNIZED CHARGE:** Contact the vendor. If the cardholder cannot resolve the problem with the vendor, then immediately forward a CSQI to RMBCS and a copy to the DAO/OPLOC/RAFO.
- If the disputed charge involves sales tax or transportation costs charged erroneously by the merchant, the amount of the tax or erroneous transportation costs cannot be disputed through Visa Chargeback Regulations. Cardholders shall make every effort to obtain a credit for the amount of the tax or transportation costs from the merchant. If a credit is not obtained, ordering agencies must pay the tax or transportation costs. Do not file a CSQI for this.
- Each month, RMBCS distributes a "Status of Disputed Transactions" report in addition to the SOA, which lists all unresolved disputes as well as those resolved during the last billing cycle. The cardholder must review this report and compare it to the "Disputed Items" column of the purchase log. Contact the IMPAC Customer Service Department or IPC to resolve any outstanding discrepancies. If a dispute is denied by RMBCS the cardholder forwards a copy of the statement of disputed transactions and copy of the applicable CSQI to the AO who in turn forwards it to the FSO within 5 days.
- If items purchased with the card are found to be defective, the cardholder obtains replacement or correction of the item as soon as possible. If the merchant refuses to replace or correct the faulty item, the cardholder will consider the item in dispute. Items in dispute are handled in the same manner as billing errors. Credited amounts may not be added back to the funding document or reused by the cardholder without coordination from the FSO. Any disputed amounts denied by RMBCS must be submitted to the FSO.

**5.3.5.7. Leave or Travel:** If the cardholder will be on leave or TDY during the time SOAs are normally distributed, the cardholder shall forward the purchase log and all supporting documentation to the AO. The AO will send the statement to the FSO for payment within five work days of receipt as usual. When the cardholder returns he/she must sign the original SOA and forward it to the AO.

**5.3.5.8. Cancellation of Purchase Card Account:** Upon reassignment, separation, retirement, etc., a cardholder must surrender the IMPAC to the approving official who will complete a destruction notice (or write a letter) and forward it to the IMPAC Program Coordinator. The IPC will cancel the account with RMBCS and document the file.

**5.3.6.4. Certification of the Invoice for Payment:** Purchase card invoices will be paid using “Pay and Confirm” procedures. The FSO will certify the invoices for payment prior to receipt of the confirmation statements from the approving officials. The approving official statement will be forwarded to the FSO for after-the-fact verification that items were received.

- The FSO is the office designated to receive the invoice for the purchase card program. The official invoice must be stamped with the date received in the FSO. This date will be used to determine the net pay due date as required by the Prompt Payment Act (PPA). If the FSO fails to annotate the receipt date on the invoice, the date of the invoice will be used to compute the net pay due date.
- Upon receipt of the official invoice, the FSO will verify the amount remaining on each funding document is sufficient to cover the total amount of the invoice. The available balance may be recorded as an obligation on a call placed against the funding document, or may still be recorded as a commitment as part of the quarterly commitment amount. An increase to the commitment or call obligation amount must be posted if sufficient funds are not available on the funding document.
- If the Master Account Code is not shown in the Accounting Code line on the invoice, the FSO will annotate the applicable funding document numbers for each account on the invoice and certify the invoice for payment on a “pay and confirm” basis. The FSO will contact the IPC to update the cardholder’s account setup information to include the Master Account Code.
- All invoices must be certified for payment and submitted to arrive at the paying office not later than 15 days after receipt of the invoice in the FSO.
- The FSO will not reconcile approving official certified SOAs to invoices paid prior to certifying the invoice for payment.
- Cardholders and approving officials will verify the statements and work any irregularities through the disputes process. Disputes will be resolved between the cardholder and the vendor to the maximum extent possible. A Questioned Item Form will not be prepared for disputes that are less than 45 days old from the date of receipt of the statement containing the disputed charge. Do not adjust invoice for disputed items.
- Upon notification of a denied dispute, the approving official will forward a copy of the CSQI to the FSO for payment. The CSQI must identify the original invoice charged. The FSO will insure funds are available, prepare and certify a payment voucher citing the appropriate fund cite, and forward the CSQI and payment voucher to the paying office for payment.

the purchase order. The purchase card number may be entered on the AF Form 656 used for purchases from the Military Clothing Sales Store if required by AAFES.

- If the vendor requires a purchase order BCAS will generate a SF 1449. The vendor is given a copy of the purchase order and the cardholder maintains a copy. **Do not distribute other copies.**

**5.3.5.3.5. Manufacturer/Retailer Rebates:** Cardholders should take advantage of any rebates offered. Manufacturer/retailer rebates shall be made payable or endorsed to the U.S. Air Force. Rebates in the form of checks or cash should be forwarded to the FSO for deposit with Treasury. Rebates will be processed as an appropriation refund to the AO's organization and should be credited to the applicable funding document.

**5.3.5.4. Documentation and Retention:** For each purchase card transaction, the following documentation shall be maintained for the period indicated:

- Documentation received by the cardholder from merchants to support purchase transactions -- 60 days (if an item is in dispute, maintain documents till the dispute is resolved).
- Documents generated at the cardholder level to support payment certification forwarded to the AO (e.g., SOAs with merchant receipts, manual and/or electronic logs of purchases) -- 1 year after final payment, destroy at the end of the fiscal year cut off (IAW AFMAN 37-139, Table 64-4, R 26 and FAR 4.805) . Exception: If the AO determines that the files have future value to the Government, retain and destroy when no longer needed).
- Documents generated at the billing office level supporting a certified invoice for payment (e.g., certified RMBCS invoices; pre-certified statements or electronic files received from cardholders supporting respective invoices; and all Notices of Invoice Adjustment that changed the amount of the invoice) -- 6 years and 3 months after the final payment is made (AFMAN 37-139, Table 177-18, R 6).
- Documents generated at the IPC level supporting cardholders and approving officials (e.g., training records, surveillance records, delegation of authority, etc.), retain as long as the cardholder and approving official are performing that function. Keep for one year after termination of duty and then destroy. Exception: If the IPC determines that the files have future value to the Government, retain and destroy when no longer needed.

**5.3.5.5. Reconciliation And Payment Procedures:** Each month the cardholder must reconcile the SOA distributed by RMBCS. The SOA itemizes each transaction posted to your account during the past billing cycle. Upon receipt of the SOA you must:



**5.3.8. Communications Squadron:** Assists users to identify C4 needs and develops, obtains, and implements technical solutions for user requirements. The C4 Systems Officer (CSO) receives the requirement from the requesting organization, checks the base C4 Systems Blueprint for possible impact on existing solutions, and devises and obtains a final technical solution, including a cost estimate, applying MAJCOM, local directives and applicable architecture. The CSO provides the requester with the final technical solution and sufficient information from which to make a decision to implement the solution and expend resources. The requesting organization follows established local, MAJCOM, and Air Force procedures to obtain resources to implement and sustain the technical solution.

**5.3.9. Hazardous Material Pharmacy:** The hazardous material pharmacy is the single point of authorization for the use of hazardous materials on base. It is designed to achieve reductions in hazardous material purchase, usage, and hazardous waste generation through:

- Tracking of hazardous materials on the installation; single point of approval and requisition of hazardous materials; distribution and dispensing of required amounts; collection of residual amounts; and central point for reporting and analysis of hazardous material data.

**5.3.10. Library:** Command and FOA librarians identify mission-essential organizational information requirements to command and FOA budget officers. The library program is centrally funded so that contracts and orders are consolidated to reduce procurement costs. The Air Force defines mission-essential informational resources as publications and services that directly bear on the functions, initiatives, and operations of Air Force agencies and that personnel must have on hand to carry out the installation mission effectively. The librarian certifies mission-essential purchases and functional commanders or division chiefs certify mission-essential publications with central APFs.

- The Federal Library Information Network (FEDLINK) through the Contracting and Logistics Division at the Library of Congress provides books, subscriptions, on line, and document delivery services for AFLIS.

**5.3.11. Base Medical Logistics Officer:** Assists users in purchase and disposal of all medical materiel and equipment. Confirms assets are not available off-the-shelf, verifies the item is authorized for purchase by the requesting activity in accordance with AFMAN 23-110, Vol 5, and is not required for purchase via an existing mandatory requirements contract.

**5.4. Payment Office Procedures:** All payments for IMPAC invoices will be made by the Defense Accounting Offices (DAO), Operating Locations (OPLOC), or Regional Accounting and Finance Offices (RAFO). A monthly obligation will be recorded for each account as a call against the funding document for each account. The obligation amount will be determined by the quarter month for which the obligation is recorded. The commitment amount on the funding document will be reduced by the amount of the obligation. Adjustments to obligation amounts

will also be made at time of receipt of the invoice. Obligated amounts in excess of the invoice gross amount will be deobligated and added back to the available commitment balance.

- All payments made on IMPAC invoices are subject to the Prompt Payment Act.
- The servicing DAO, OPLOC, or RAFO is the office designated to receive the invoice from RMBCS.
- Between the 15th day of each month and the last business day of each month, the paying office will record a call against each funding document. The call will record an estimated obligation for current month purchases against the account. Call amounts will vary based on the month of the quarter for which the estimated obligation is being recorded. Use the following to determine call amount:

#### **1st Month Equals 1/3**

- If the call is being recorded for the 1st month of the quarter (October, January, April, or July), an obligation will be recorded for one-third (1/3) of commitment amount available on the funding document.

#### **2nd Month Equals 1/2**

- If the call is being recorded for the 2nd month of the quarter (November, February, May, or August), an obligation will be recorded for one half (1/2) of the remaining commitment amount on the funding document.

#### **3rd Month Equals Remaining Balance**

- If the call is being recorded for the last month of the quarter (December, March, June, or September), an obligation will be recorded for the remaining commitment balance on the funding document. See Fiscal Year Close Out Procedures, paragraph 5.3.6.3. for recording the September call.
- Payment offices will schedule payment to be made as close as possible to the 23rd day after receipt of the invoice by the FSO. The 23rd day window is authorized to maximize the rebate which is based on file turn time after receipt of the invoice. Early payment reporting is not required for payments made between the 23rd days and the 30th day. Payments made after the 30th (Net 30 due date) are subject to interest penalty.
- All interest penalties due for an IMPAC payment will be charged to the funds supporting the operations of the site being supported. Interest penalty charges will not be posted against the funding document for the account. Additional certification is not required for the interest penalty payment.

**5.4.1. Payment of RMBCS Invoices:** RMBCS invoices will be paid upon receipt; approving officials' certified statements are not required to make payment (RMBCS will provide cardholders and approving officials with statements of their accounts). All purchases made using the IMPAC are subject to the Prompt Payment Act and early payment provision. All payments will be made via electronic funds transfer (EFT).

**5.4.2. Liquidating the Obligation:** The invoice payment will liquidate the call obligation.

**5.4.2.1. Invoice Greater Than Call:** If the gross amount of the invoice is greater than the call amount, the call amount must be increased to equal the invoice amount. Decrease the available commitment balance on the funding document by the amount of increase to the call amount

**5.4.2.2. Invoice Less Than Call:** If the gross amount of the invoice is less than the estimated call obligation amount, the full amount of the call will be liquidated by returning the excess call amount to the commitment level on the funding document and paying the gross amount of the invoice. If the invoice being processed is for September or prior year purchases, follow year end procedures and leave the remaining balance on the call. Do not return the remaining balance to the funding document.

**5.4.2.3. Single Line of Accounting:** All payments for IMPAC purchases will be made citing the line of accounting or each funding document. The Master Account Code referenced in the Accounting Code field on the invoice will be used to reference to the funding document containing the single line of accounting to be charged.

**5.4.3. Cost Distribution:** Routine IMPAC purchases should be charged to a single line of accounting without further cost distribution by journal voucher(s). Cost distribution is authorized for unusual situations such as, collection of costs by ESP codes, appropriated fund support for morale, welfare and recreation, etc., in lieu of establishing additional funding documents and cards, and to transfer charges to the correct fiscal year funding document based on the date of purchase. To provide cost distribution, the approving official will prepare a Journal Voucher showing full accounting classifications to be credited and debited. The credit and debit amounts must be equal. Accounting detail should be kept to a minimum necessary for management purposes, and all distributions will be made at Program Summary Record (PSR) level. This cost distribution process cannot be used to distribute cost to other organizations except for unusual cases.

**5.4.4. Billing Errors and Disputes:**

- CSQI amounts which are denied by RMBCS will be processed and paid separately. Approving officials must identify the original invoice on which the disputed item was originally billed. The approving official forwards the CSQI for the denied dispute to the FSO for payment certification. The FSO will insure funds are available, prepare and certify payment voucher citing the appropriate fund cite, and forward the CSQI and payment voucher to the paying office for payment.

- Do not process payments for denied disputes with current invoices, all payments for denied disputes will be processed separately from the normal monthly invoice.
- Charge funds used on original invoice.

**5.4.5. Refunds or Rebates:** During the year, RMBCS provides rebates based on sales and prompt payment. These rebates will be returned to the FSO and shall be processed as an appropriation refund. FSO will credit refunds and rebates to the funding document appropriation and may allocate rebates based on gross disbursements by appropriations.

**5.5. Rocky Mountain BankCard System:** The following highlights RMBCS's functions and responsibilities:

**5.5.1. Training:** RMBCS will provide each organization with training materials, such as guides and videotapes, at no cost. Examples include: Agency/Organization Program Coordinator Guide and Training Videotape; Cardholder Guide and Training Videotape; Approving Official Guide; Designated Billing Office Guide and Training Videotape; and Program Overview Videotape.

**5.5.2. Forms:** RMBCS will provide to each IPC sufficient copies of all accounts set-up, maintenance, and cancellation, dispute, and any other required forms. RMBCS will accept the forms in any media (hard copy, fax, electronic) requested by the organization.

**5.5.3. Emergency Account Set-up:** RMBCS will set-up emergency cardholder/AO accounts within 24 hours and send the cardholder the credit card within 48 hours of the receipt of a request from the IPC. The account set-up information may be electronically transmitted to RMBCS.

**5.5.4. Card Distribution:** RMBCS will mail the purchase card to the cardholder or designated distribution point within five work days of receipt of the account set-up information (or within two work days if electronically transmitted to RMBCS).

**5.5.5. Replacement of Lost or Stolen Cards:** RMBCS will replace lost or stolen cards within 24 hours after the loss is reported to RMBCS (Monday through Friday). For international card replacement, RMBCS will replace lost or stolen cards within 48 hours.

**5.5.6. Card Reissue:** RMBCS will reissue purchase cards every 24 months to each cardholder. RMBCS will send to each IPC a card reissue report which lists each card scheduled for renewal at least three months prior to the expiration of each purchase card.

**5.5.7. Cardholders Statement of Account:** Within five work days after the end of each monthly billing cycle, RMBCS will send each cardholder a Statement of Account which lists all transactions made during the current billing cycle.

5.5.8. **Official Invoice:** Within five work days after the end of the billing cycle, RMBCS will send an official invoice to the designated billing office as indicated by the IPC.

5.5.9. **Reports:** RMBCS will provide a number of standard hard copy or electronic reports including: Cardholder Activity Report, Account Information Report, Statistical Summary Report, Financial Summary Report, Business Account Summary Report, Approving Official Summary Report, Disputed Transaction Status Report, Invoice Status Report, etc.

5.5.10. **Customer Service:** RMBCS will provide dedicated customer service and billing adjustment personnel accessible to both domestic and international cardholders through 1-800-227-6736 or by calling collect (701) 461-2020 or facsimile (701) 461-3466, 24 hours per day, every day of the year. These services include, at a minimum, transaction authorization and verification, reporting of lost or stolen cards, cardholder account inquiries, and account maintenance.

## ACRONYMS

AAFES	Army and Air Force Exchange Services
AFSVA	Air Force Services Agency
AO	Approving Official
APC	Agency Program Coordinator
APOE	Aerial Port of Embarkation
ATCMD	Advance Transportation Control and Movement Document
C4	Command Control Communications and Computer
COS	Chief of Supply
CSQI	Cardholder Statement of Questioned Item
CSRD	Communications System Requirements Document
DAO	Defense Accounting Office
DAPS	Defense Automated Printing Service
DFAS	Defense Finance and Accounting Service
DPSC	Defense Personnel Support Center
DTS	Defense Transportation System
EEIC	Element of Expense/Investment Code
EFT	Electronic Funds Transfer
EPA	Environmental Protection Agency
ESP	Emergency and Special Program Code
FAR	Federal Acquisition Regulation
FOA	Field Operating Agency

FOB	Free on Board
FSO	Financial Services Office
FSS	Federal Supply Schedule
FPI	Federal Prison Industries
GSA	General Services Administration
GSD	General Support Division
HCA	Head Contracting Activity
IMM	Integrated Materiel Management
IMPAC	International Merchant Purchase Authorization Card
IPC	Installation IMPAC Program Coordinator
LMCA	Logistic Materiel Control Activity
MEDLOG	Medical Logistics Computer System
MORD	Miscellaneous Obligation Reimbursement Document
MSC	Military Sealift Command
MWR	Morale, Welfare, and Recreation
NIB	National Industries for the Blinds
NISH	National Industries for the Severely Disabled
MOMEDLOG	Mobile Medical Logistics Computer System
OPLOC	Operating Location (DFAS)
RAFO	Regional Accounting and Finance Office
RC/CC	Responsibility Center/Cost Center
RMBCS	Rocky Mountain BankCard System

RSD	Reparable Support Division
SBSS	Standard Base Supply System
SCO	Servicing Contracting Office
SOA	Statement of Account
SPOE	Seaport of Embarkation
SSD	Systems Support Division
TCMD	Transportation Control and Movement Document
TMO	Traffic Management Office
VA	Department of Veterans Affairs
VRU	Voice Response Unit



## **Exhibit 1**

### **Sample Delegation of Authority**

MEMORANDUM FOR [Cardholder's name and title]

FROM: [Name and title of HCA designee]

SUBJECT: Delegation of Authority for International Merchant Purchase Authorization Card (IMPAC) Use

You are authorized to obtain supplies and non-personal services and to pay for them using the IMPAC. Any single purchase may not exceed [cardholder's single purchase limit], nor may your total monthly purchases exceed [cardholder's monthly limit].

The supplies and non-personal services you obtain with the IMPAC must be for official Government requirements and be consistent with your assigned responsibilities and your card purchase limits, including commodity restrictions, set by your approving official. This authorization does not exempt you from requirements to obtain certain supplies from required sources of supply listed in Federal Acquisition Regulation (FAR) Part 8, or from other organizations which have been given exclusive contracting authority for that commodity or service.

All purchases using the IMPAC shall comply with applicable laws and regulations, including but not limited to the FAR and USAF Internal Procedures for Using the IMPAC. [MAJCOMs and local contracting offices may insert additional references here].

This delegation also does not authorize you to purchase certain prohibited supplies and services. Those restrictions are listed in paragraph 3.3 of the USAF Internal Procedures for Using the IMPAC. If you purchase such supplies or services, you shall be subject to fines and adverse disciplinary action for misusing the IMPAC.

Your approving official will periodically review your use of the IMPAC. He/she may determine that you no longer need to use the card and cancel it. He/she may also confiscate your card or reduce your monthly purchase limit to \$0.00 if you misuse the card, such as allowing someone else to use your card or fail to perform timely reconciliation or fail to resolve disputed charges.

When you separate from [insert name of activity], through dismissal, retirement, transfer or for any other reason, this delegation is automatically terminated and the IMPAC must be returned to your approving official for destruction.

Exhibit 2

IMPAC PURCHASE LOG

NAME OF APPROVING OFFICIAL/OFFICE SYMBOL

NAME OF CARDHOLDER/OFFICE SYMBOL

**INSTRUCTIONS:** Use this form to document all IMPAC purchases. Attach all documents pertinent to the purchases listed on this log, i.e., delivery tickets, receipts, credits, controlling agency coordination, etc. Reconcile the information on this form with your monthly statement, sign and date the form, and send the original with the statement to the Approving Official. Once the statement, the cardholder shall file this document for a period of 1 year after final payment, destroy at the end of fiscal year cut off. Approving Official signs the

Date	Coord POC	Requester's Name	Description of Supply/Service	Vendor's Name, Phone #, and POC	QTY	Unit Price	Total Price	Date Order	Date Rec'd	Disputed Items	Amt Billed	Funding Balance
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CARDHOLDER SIGNATURE

DATE

FOR THE BILLING CYCLE

Remarks/Manufacturer or retailer rebates:

### Exhibit 3

## IMPAC SURVEILLANCE GUIDE

**PURPOSE:** To document compliance with procedures associated with the International Merchant Purchase Authorization Card (IMPAC)

YES/NO/N/A

1. Has the cardholder limited purchases to transactions under his/her single purchase limit? (Para 5.3.5.2).....
2. Has anyone other than the cardholder made purchases with the IMPAC or IMPAC account number? (Paras 5.3.5.1 and 5.3.5.9).....
3. Are items purchased over-the-counter, immediately available? (Para 5.3.5.2.1).....
4. Are items purchased over the telephone delivered during the 30-day billing cycle? (Para 5.3.5.2.2).....
5. Does the cardholder maintain a log of all purchases? (Para 5.3.5.3.1).....
6. Are purchases for items such as: visual information; potential hazardous materials; and communication and computer equipment and software, authorized by the specified controlling agency? (Para 3.2).....
7. Are purchases of nonexpendable equipment/supplies approved in advance by the organization's equipment custodian? (Para 3.2.10).....
8. Are the items purchased identified in the IMPAC procedures as "unauthorized"? (Para 3.3).....
9. Are funds available to pay for each item purchased? (Para 5.3.5.3.1).....

10. Are all purchases made on an F.O.B. destination basis only? (Para 5.3.5.3.1).....
11. Is the cardholder distributing purchases equitably among qualified suppliers? (Para 5.3.5.3.1).....
12. Does the cardholder document the record regarding competition and reasonableness of price when necessary? (Para 5.3.5.3.1).....
13. Does the cardholder "split requirements" to stay within the required dollar parameters? [Para 5.3.5.2. and FAR 13.602(c)1].....
14. If the cardholder has purchased equipment items, are those items authorized under the organization's table of allowances?.....
15. Has all accountable equipment purchased been properly recorded on the organization's accountable records? (Para 3.2.10).....
16. For each item purchased with the IMPAC, has the cardholder recorded the name of the person requesting the item? (Para 5.3.5.3.1).....
17. Does the cardholder obtain a customer copy of the charge slip for all over-the-counter purchases? (Para 5.3.5.3.2).....
18. When making purchases by telephone, does the cardholder document the transaction on a log, and attach any shipping documents associated with the order? (Paras 5.3.5.3.1 and 5.3.5.3.3).....
19. Does the cardholder reconcile information on the monthly statement of account (filling in a description for each purchase, entering the appropriate funding document number, attaching all supporting documentation, sign the statement, and then forward it to the approving official)? (Para 5.3.5.5).....

20. If no transaction documentation was available to send to the approving official with the statement, did the cardholder attach an explanation including an item description, date of purchase, merchant's name, and why there was no supporting documentation? (Para 5.3.5.5).....
21. Does the cardholder complete the reconciliation process and forward the statement of account to the approving official **within three work days** of receipt? (Para 5.3.5.5).....
22. If the cardholder cannot review the statement at the time it is received, does he/she make the records available to the approving official for review and certification of the statement? (Para 5.3.5.7).....
23. In cases as described in surveillance No. 22 does the approving official annotate the statement as to why the cardholder's signature is not available and does the approving official review the statement with the cardholder upon his/her return?.....
24. Does the approving official review each of the cardholder's monthly statement(s), sign the monthly summary statement, and forward the monthly summary statement to the FSO **within five work days** after receipt from RMBCS? (Para 5.3.4.2).....
25. Is the cardholder purchasing recycled products? (Para 3.8).....
26. Does the approving official retain supporting documentation on purchases by attaching it to his/her copy of the cardholder's monthly statement?.....
27. Is the cardholder handling disputes in accordance with paragraphs 5.3.5.6 and 5.4.5.?.....
28. Does the cardholder or approving official notify the Disputes Office on those purchases or credits that do not appear on the appropriate monthly statement? (Para 5.3.5.6).....
29. For purchases of repair of office equipment, has the cardholder coordinated with a contract repair representative to ensure the equipment was not covered under an existing preventive

maintenance agreement or warranty? (Para

3.2.11).....

30. When IMPAC was used for construction services up to \$2,000, did the cardholder have an approved AF Form 332 on file? (Para 3.2.13).....

31. Was the cardholder offered a rebate from the manufacturer/retailer? Did the cardholder fill out the paperwork for the rebate and forward the request for rebate to the manufacturer/retailer? (Para 5.3.5.3.5).....

32. If the manufacturer/retailer sent a check with a rebate to the cardholder, did the cardholder forward the check to the Finance Office? (Para 5.3.5.3.5).....

## **Exhibit 4**

### **Sample Training Record**

1. I have received, read, and understand the Cardholder Instruction Guidebook.
2. I have received, read, and understand the USAF Internal Procedures for Using the IMPAC and the [MAJCOM] operating instructions.
3. On [date], I received training by [local contracting office] on IMPAC procedures. I understand how to properly use the IMPAC to obtain micropurchase supplies and non-personal services. I understand that the card has restricted use and agree to abide by those restrictions.
4. I am aware of how the standards of conduct contained in DoD 5500.7 and DoD 5500.7-R affect my use of the IMPAC card.
5. I understand the reconciliation requirements and the disputes processing.

## **Exhibit 5**

### **Internal Control Procedures for Local Purchase of Small Piece Parts Directly Identifiable with a Technical Order for a Weapon System or Related Support Equipment (Regardless of the Method of Payment)**

The following procedure describes the process under which Air Force personnel are authorized to purchase piece parts directly related and identifiable to technical orders of a weapon system or related support equipment using IMPAC.

#### **1. REQUIREMENT IDENTIFICATION AND REQUISITION:**

- a. When a customer identifies the need for a part or parts, he/she will follow normal ordering procedures established through base supply.
- b. If the part is back-ordered and is causing a MICAP condition or a critical production work stoppage, and the estimated delivery date is unacceptable, the following procedures can be used if the requirement meets the IMPAC threshold of costing less than \$2,500.

(1) Customer must obtain written approval from the IMM to purchase locally. If the customer purchases from an approved DoD source, use standard local purchase procedures. If the customer determines to purchase the item from a non-DoD vendor, the following steps must be taken:

(a) The customer will contact the vendor(s) and verify price and availability.

(b) The customer will verify funds are available for the purchase.

(2) Customer must purchase from source approved by the IMM.

(3) Customer can only use organizational (O&M) funds.

(4) Customer must coordinate with base and depot supply to cancel due-out and the original requisition. (NOTE: When base supply Stock Control processes the due-out cancellation, the original requisition should be canceled under program control). Base supply and depot retail will manually capture demand data until HQ USAF/ILSP notifies MAJCOMs via message of automated means as outlined in Section 3, paragraph 3.2.9. (NOTE: Base supply must contact depot retail to ensure demand data is updated).

#### **2. ITEM RECEIPT AND FOLLOW-UP:**

- a. The customer will notify the item manager and equipment specialist in writing when the purchase is made, the purchase date, quantity purchased, unit price, and supplier of the item. A copy of this notification will be kept by the customer in a locally devised file. Use this



notification to update demand history and due-in asset information in the DoD supply system IAW 3.2.9.

b. If at any time during the purchase process a condition is not met, the customer will advise base supply that the item is still needed and must be ordered using normal supply channels.

## Exhibit 6

### **Hazardous Material Pharmacy (HMP) Policy and Control Procedures for IMPAC Purchases of Hazardous Materials (HMs)**

#### A. Policy.

1. When the customer's required delivery date cannot be met by the existing system, the HMP may authorize the IMPAC cardholder to purchase hazardous material.
2. It is mandatory that IMPAC cardholders authorized to purchase hazardous material take the required training provided by the HMP.
3. HMPs may audit internal tracking of hazardous material IMPAC purchases monthly, if applicable.

#### B. Procedures.

1. Customers will use the HMP for all hazardous material purchases.
2. Users identifies/justifies need for hazardous material.
3. HMP researches purchase requests for possible excess redistribution, quantity control, and substitution possibility. HMPs will also research the possible use of blanket purchase agreements as a preferred method of procurement over IMPAC when purchasing hazardous materials.
4. When the customer's required delivery date cannot be met by the existing system, the HMP may authorize the IMPAC cardholder to purchase hazardous material.
5. User must obtain a copy of the Material Safety Data Sheet (MSDS).
  - User should check with HMP to see if an MSDS is on file, if not, user must obtain MSDS from the manufacturer before purchase will be authorized.
6. Material is delivered to a designated HM receiving point. HMP personnel are responsible for entering appropriate information into the HM tracking system. Individual container serial numbers will be assigned and labels affixed to each container. HMP will provide Base Level Supply with demand data for input into SBSS.
7. Material is delivered to the designated issue point serving the user or picked up by the user.
8. User checks out material and is instructed on turn-in of left over material.



**Exhibit 7**

<b>GOVERNMENT PURCHASE CARD FUND CITE AUTHORIZATION</b>								
<b>DOCUMENT NUMBER:</b>	<b>DATE ISSUED:</b>	<b>CHANGE #:</b>	<b>EXPIRATION DATE:</b>	<b>MASTER ACCOUNT CODE:</b>				
<p style="text-align: center;"><b>INSTRUCTIONS TO APPROVING OFFICIAL</b></p> <p><i>This form is to be used by the Approving Official (AO) to request authority to expend funds for Government Purchase Card transactions.</i></p> <p><i>This funding document is issued to establish a Master Account Code assigned to the accounting classification cited below. This document also supports the reservation of funds when applicable.</i></p> <p><i>An amount equal to 1/3, 1/2, or the remaining balance of the quarterly amount will be obligated during the month that this document remains in effect. The accounting classification below will be charged for all authorized purchases made by approved cardholders.</i></p> <p><i>Cardholders are required to maintain a transaction log with a running balance of available funds.</i></p> <p><i>Cardholders must not expend funds after the expiration date shown below even if an available balance remains.</i></p> <p><i>If cumulative expenditures exceed the commitment amount shown below, the cardholder and Approving Official can cause a violation of AFR 177-16, (DFAS-DE 7200.1-R) and may be held pecuniarily liable and be subject to disciplinary action.</i></p> <p><i>A separate funding document and Purchase Card account must be established for purchases to be charged to a different appropriation.</i></p> <p><i>Failure to certify and promptly submit the Approving Official's Monthly Summary Statement will result in the withdrawal of funding.</i></p> <p><i>Return this document to the Financial Services Office (FSO) upon expiration.</i></p>  <p><b>Requesting Official, Office Symbol/Phone Number</b></p>   <p><b>Resource Advisor, Office Symbol/Phone Number</b></p>   <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; padding: 5px;"><b>PRIOR QUARTERLY AMOUNT:</b></td> <td style="width: 15%; padding: 5px;"><b>INCREASE (+):</b></td> <td style="width: 15%; padding: 5px;"><b>DECREASE (-):</b></td> <td style="width: 45%; padding: 5px;"><b>NEW QUARTERLY AMOUNT:</b></td> </tr> </table> <p><b>ACCOUNTING CLASSIFICATION:</b></p>					<b>PRIOR QUARTERLY AMOUNT:</b>	<b>INCREASE (+):</b>	<b>DECREASE (-):</b>	<b>NEW QUARTERLY AMOUNT:</b>
<b>PRIOR QUARTERLY AMOUNT:</b>	<b>INCREASE (+):</b>	<b>DECREASE (-):</b>	<b>NEW QUARTERLY AMOUNT:</b>					
<p style="text-align: center;"><b>FUND CERTIFYING OFFICIAL'S STATEMENT</b></p> <p>I certify that the new quarterly amount above will be available on the first day of each quarter unless otherwise advised before that date.</p> <p><b>Signature:</b></p>   <p><b>TYPED NAME, ADDRESS, AND TELEPHONE NUMBER OF FINANCIAL SERVICES OFFICER OR OFFICIAL DESIGNEE</b></p>		<p style="text-align: center;"><b>APPROVING OFFICIAL'S STATEMENT</b></p> <p>I certify that I will not approve an IMPAC purchase that will cause the total IMPAC purchases to exceed the funding document.</p> <p><b>Signature:</b></p>   <p><b>TYPED NAME, ADDRESS, AND TELEPHONE NUMBER OF APPROVING OFFICIAL</b></p>						

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AF FORM XXX (TEST), NOV 96

